## UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

North East Neurological Assoc.,

Plaintiff,

v.

**Independent Care Group Plus,** 

Defendant.

Civil Action No. 24-08252

Hon. Brian R. Martinotti, U.S.D.J.

Hon. Cathy L. Waldor, U.S.M.J.

## ORDER GRANTING DEFENDANT INDEPENDENT CARE GROUP PLUS'S MOTION TO VACATE DEFAULT JUDGMENT

THIS MATTER comes before the Court upon Defendant Independent Care Group Plus's ("Defendant") Motion to Vacate the Default Judgment entered against it on October 4, 2024 (ECF No. 10). The District Court referred Defendant's application to the undersigned. In accordance with Federal Rule of Civil Procedure 78 and Local Civil Rule 78.1, the Court addresses Defendants' motion without oral argument; and,

WHEREAS Plaintiff North East Neurological Association ("Plaintiff") filed this lawsuit on August 8, 2024, seeking confirmation of arbitration awards issued on August 3 and 4, 2023, and alleging a violations of the Federal No Surprises Act for failure to remit payment of those two awards. (Complaint, ECF No. 1). Plaintiff filed proof of service on August 26, 2025, stating that on August 13, 2024, the process server attempted to serve Defendant at 2535 John F. Kennedy Blvd., Jersey City, NJ 07304 but the process server indicated that Defendant was not located at that address and, therefore, was unable to effect service upon Defendant. (ECF No. 3). By text

order, the Court instructed Plaintiff to seek the entry of default and thereafter, the entry of default judgment against Defendant. (ECF Nos. 4, 6). Plaintiff complied, and the Clerk's Office entered a default judgment against Defendant. (ECF Nos. 5, 8, 9); and

**WHEREAS** on June 9, 2025, Defendant appeared in this matter and moved to vacate the default judgment entered against it. (ECF No. 10). Plaintiff has not opposed the motion; and

WHEREAS this Court may "set aside an entry of default for good cause[.]" Fed. R. Civ. P. 55(c). In deciding whether to vacate a default, a court must consider: "(1) whether the plaintiff will be prejudiced; (2) whether the defendant has a meritorious defense; and (3) whether the default was the result of the defendant's culpable conduct." *Gold Kist, Inc. v. Laurinburg Oil Co.*, 756 F.2d 14, 19 (3d Cir. 1985). This Court disfavors resolving disputes by default, and "the standard for setting aside a default is less stringent than for setting aside a default judgment." *Mettle v. First Union Nat'l Bank*, 279 F. Supp. 2d 598, 601 (D.N.J. 2003) (citing *Feliciano v. Reliant Tooling Co., Ltd.*, 691 F.2d 653, 656 (3d Cir. 1982); *Harad v. Aetna Cas. & Sur. Co.*, 839 F.2d 979, 982 (3d Cir. 1988)). "[A] default judgment entered when there has been no proper service of the complaint is, *a fortiori*, void, and should be set aside." *Gold Kist*, 756, F.2d at 19; and

WHEREAS this Court is satisfied that there is good cause to vacate the entry of default and allow this dispute to be resolved on the merits. First, service of process was not effectuated, and Plaintiff never made another attempt to properly serve Defendant. *See Smalls v. Buckalew Frizzell & Crevina LLP*, No. 13-4637, 2014 WL 2889645, at 1 (D.N.J. June 25, 2014) ("Clearly, failure to effect proper service constitutes good cause."). Second, the motion is unopposed and, therefore, Plaintiff will not be prejudiced by a vacatur. As such, the circumstances support granting Defendant's unopposed motion; and therefore

IT IS on this 21st day of July 2025,

**ORDERED** that Defendant's Motion to Vacate the Default Judgment (ECF No. 10) is **GRANTED**; and

**ORDERED** that Defendant shall respond to Plaintiff's Complaint within twenty-one (21) days of the entry of this Order; and

**ORDERED** that the Clerk of the Court is kindly directed to reopen this matter and restore it to the Court's active calendar.

s/ Cathy L. Waldor
Hon. Cathy L. Waldor
United States Magistrate Judge

cc: Hon. Brian R. Martinotti, U.S.D.J.